

EXHIBIT 40

Young, Ronald

5/16/2007

IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

Certified Copy

GABANA GULF DISTRIBUTION,
LTD., A COMPANY ORGANIZED
UNDER THE LAWS OF THE UNITED
KINGDOM, AND GABANA
DISTRIBUTION, LTD., A COMPANY
ORGANIZED UNDER THE LAWS OF
THE UNITED KINGDOM

Plaintiffs,

NO. C 06 2584 CRB

vs.

GAP INTERNATIONAL SALES, INC.,
A DELAWARE CORPORATION, THE
GAP, INC., A DELAWARE
CORPORATION, BANANA REPUBLIC,
LLC, A DELAWARE LIMITED
LIABILITY COMPANY, AND OLD
NAVY, LLC, A DELAWARE LIMITED
LIABILITY COMPANY.

Defendants.

-----/
DEPOSITION OF
RONALD YOUNG

Wednesday, May 16, 2007

(Pages 1 - 205)

SHEILA CHASE & ASSOCIATES
REPORTING FOR:
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Reported by: KATHLEEN A. WILKINS, CSR, RPR, CRR
CSR No. 10068

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1 Q. And the expiration of the Gabana agreement
2 was when?

3 A. I'd have to review the document to see
4 exactly the dates.

5 Q. Was it August 2005?

6 A. It was during the summer of 2005.

7 Q. You continue, "This was not easy as it
8 created-additional risk related to the Gabana legal
9 action, and after your misrepresentation of an
10 unsigned agreement that I had our legal team prepare
11 to defend so as we could maintain our ongoing
12 relationship."

13 Is that a true statement as you wrote it?

14 A. To the best of my knowledge, yes.

15 (Whereupon, Deposition Exhibit 115 was
16 marked for identification.)

17 MR. ROUNSAVILLE: Q. Mr. Young, I'm going
18 to show you what has been marked as Exhibit 115,
19 which is a cover -- fax cover page, "Private &
20 Confidential. Kind attention: Mr. Ron Young,"
21 attached to which is a memorandum of understanding.

22 It appears this document was faxed on
23 April 19, 2005. Bears the exhibit number
24 GGD_0014976 to 0014985.

25 I'm also handing you what was marked as

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1 Q. Yeah. 115.

2 A. Your question? I'm sorry.

3 Q. Did you receive this document,
4 Exhibit 115, from David Reilly on or about April 19,
5 2005?

6 A. Yes, I believe so.

7 Q. Is this the unsigned agreement that you
8 referred to in the July 28, 2006 e-mail to
9 Mr. Reilly?

10 A. Which exhibit are you looking at? I'm
11 sorry.

12 Q. 115.

13 A. Okay. So 115, and then in which e-mail
14 are you referring to?

15 Q. The one that you were looking at, 113.

16 A. You've handed me five or six e-mails.

17 Q. You were looking at 113.

18 (Reporter interruption.)

19 MR. ROUNSAVILLE: Q. We were -- we were
20 discussing, Mr. Young, paragraph -- the last e-mail
21 on page 113 -- or Exhibit 113, in which you referred
22 to an unsigned agreement, your misrepresentation of
23 an unsigned agreement.

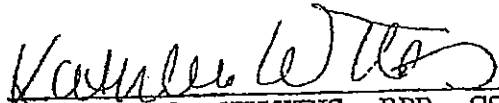
24 And I'm asking you, is the reference to
25 the unsigned agreement this Exhibit 115 --

CERTIFICATE OF DEPOSITION OFFICER

I, KATHLEEN A. WILKINS, RPR, CSR NO. 10068, duly authorized to administer oaths pursuant to Section 8211 of the California Code of Civil Procedure, hereby certify that the witness in the foregoing deposition was by me sworn to testify to the truth, the whole truth and nothing but the truth in the within-entitled cause; that said deposition was taken at the time and place therein stated; that the testimony of said witness was reported by me and was thereafter transcribed by me or under my direction by means of computer-aided transcription; that the foregoing is a full, complete and true record of said testimony; and that the witness was given an opportunity to read and correct said deposition and to subscribe same. I further certify that I am not of counsel or attorney for either or any of the parties in the foregoing deposition and caption named, nor in any way interested in the outcome of the cause named in said caption.

IN WITNESS WHEREOF, I have hereunto
subscribed by my hand this 29th day of May,

2007



KATHLEEN A. WILKINS, RPR, CSR NO. 10068